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COUNTRY China

SUBJECT

Political Information: Interview with

LI Chi-shen

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SUPPLEMENT TO REPORT NO.

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What is the relationship between the various liberal groups in Hong Kong and the Chinese Communist Party (CCP)? The KRC, the China Democratic League and other groups are working with the CCP to bring the Civil War to an end, to establish a democratic coalition government and to carry out the policies of Dr. SUN Yatosen,

2. Are the various liberal groups agreed on the policy they should adopt vis-service the present government of China on the one hand and the CCP on the other? They all endorse the policy outlined above and they share a willingness to work with the CCP. The recent joint reply to MAO Tse-tung's May Day proposal regarding the convocation of a new People's Consultative Conference (FCC) should not, however, be construed to mean that all groups are in agreement regarding the methods and timing. Negotiations are now under way to reconcile these differences in order to present a united front to both Nanking and to the CCP. (The Marshal then went on to emphasize the importance of preserving a strong liberal or "third" force, including certain elements of the Narking Government to counter-balance the extreme left).

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3. Will the liberal groups issue a joint manifesto of some kind explaining their united policy?
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About five or six different manifestos (See hard) have been issued by various groups and in a few days the RRC will publish its own views on the new PCC. In a general way, these statements of policy agree with each other. It is hoped, however, that a joint manifesto will be issued eventually. A united front must be established in any case before liberal groups can send their representatives to the new PCC.

- d. When will the new PCC assemble?

 Depending on the course of the Civil War and also on the speed with which the various groups in Hong Kong can get together, the meeting will take place in two, four or perhaps six months.
- 5. Where should such a meeting take place?

 Perhaps in Manking or in Peiping if the Civil War situation permits. In any case, it would have to be a place readily accessible to all participants, (It is believed that the suggested locations were not offered seriously. The Marshal was understood to mean that he did not favor a location in present Chinese Communist territory.)
- 5. In the event that a liberal-CCP coalition comes into power, will the Chinese Communists accept the participation of Li Tsung-jen, PAI Chiung-hai and other "liberals" in Manking?

The CCF will be willing to accept the aid of any groups which speak out against CHIANG K*ai-shek, except former members of the CC Clique, peoples engaged in secret police activity and a few others who are regarded as CHIANG*s personal followers (unstated). Private capitalists and merchants who are engaged in productive enterprise are regarded as part of the "Nation*s capital" and will not be disturbed. Accumulations of wealth by government officials or favored families will not be tolerated. (According to Marshal Li*s associate (See Comment), several Shanghai industrialists have recently recieved letters from the Chinese Communists reassuring them that their businesses will not be interferred with under a Communist regime.)

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- 7. CCP publications have recently attacked L1 Tsung-jen and others with considerable bitterness (such as the attack on LI Tsung-jen in the 15 June 1948 issue of the China Rizest, CCP English-language magazine in Hong Kong), Please comment on this These attacks are directed against LI Tsung-jen in his capacity as an official of CHIANG K"ai-shek"s Government. If he left this Government and joined the KRC, he would no longer be vulnerable since he would belong to a party collaborating with the Chinese Communists. Moreover, these attacks are probably made by "leftists" who do not reflect the opinion of the more farsighted and mature Communist leaders.
- Does the Marshal believe that LI Tsung-jen, PAI Chrung-hei and others are ready to cooperate with the KRC and with other liberal groups in Hong Kong! II Tsung-jen, PAI Ch'ung-hai, MA Hung-k'usi and FU Tso-yi are not eager to continue a war which lacks the support of the people and which cannot end in victory for CHIANG R"ai-shek. (The above names were mentioned in this connection several times. According to Marshal LI's associate, who acted as interpreter for these interviews, HO Ying-ch'in, CE"HNG Ch'ien, WEI Li-hmang, HU Tenng-nan and ex-Premier CEANG Chun are so deeply committed to CHIANG Kalinshek that they will probably remain loyal to him. The associate stated that the Chinese Communists might be willing to affect a temporary alliance with YEN Hsi-shan in order to expedite their main take of defeating the Nanking Government.) A relatively bloodless coup d'etat could take place in Manking if the various "liberals" there simultaneously demanded that the Generalissimo ratire and make way for a government which could negotiate a peace with the CCP. In this event, very few of CHIANG's troops would remain loyal to him and he would be forced to comply. Prior to this, the United States would have had to stop its aid to the present government.
- 9. (In an effort to elicit Li's actual opinion regarding the intentions of the CCF, the interviewer elaborated on the following points: The people of the United States,



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including the working classes and intellectuals, are practically unaminous in their apposition to Communism—(the usual objections were mentioned)—and one of the important motives for the present United States policy in China is a strong dislike for this form of government. Admittedly the recent policy statements of MAO Tse-tung seem very conciliatory and hardly in accordance with Marxist theory as practiced in the USSR and the Eastern European police states. It is feared, however, that these policies represent nothing more than tactical retreats and that once the new coalition is formed, the CCP will rapidly seize complete control by methods familiar in Eastern Europe. Moreover, the CCP will have strong armed forces at its disposal.) Marshal LI was asked to comment on the interviewer's statements.

Completely indoctrinated Communists form only a small minority in China. If they tried to destroy the balance of the new coalition by armed force, they would rapidly lose the support of the people-which is the source of their present strength. It is believed that the Communists have altered their policy and that for the present at any rate, they will work together with liberals in a coalition government. The CCP has learned by experience that efforts to set-up single-party soviets are not likely to meet with success in China. They have also learned that they require support from many different sections of the community, especially various classes of peasants. They cannot rely on a small politically-conscious "proletariat."

10. (Interviewer read to Marshal II a passage from the leftist, rather anti-United CPYRGHT States magazine New Statesmen and Nation dealing with the British Labor Party's catifude toward Communism. This passage explained that Parliamentary Socialism had been obliged to cooperate with Communism during World dar II in order to defeat Passist termany, but that cooperation was now rendered impossible by the Communist telent for using democratic processes and liberties to wreck democracy. The Marshal was asked whether or not he expected to be faced with the same problem in the event of a new coalition government.

Even in Eastern European countries the Communists tolerated minority parties. In France and in Italy, Communists are working side by side with members of other groups.

II. It was pointed out that, according to many observers, the minority parties in Eastern Europe are not allowed to disagree with Communist policies and in France and in Italy, where the liberals still hold a balance of power, the Communists would doubtless destroy "bourgeois democracy" if they were able. The Marshal was requested to comment.

It is quite possible (in the Earshal's opinion) that the world-wide Communist policy of cooperating with liberal groups is marely a factical move. Even if this is the case, the future conduct of the CCP cannot be bound by such a tactical plan, and they can be relied on to adapt their policies to the realities of the situation if the liberal groups prove to be stronger and more durable than they supposed. (II then went on to discuss the importance of ending the Civil War as soon as possible in order to preserve the strength of the middle groups especially those in Nanking and Shanghai. It would be on these groups, he said, that he would have to rely in order to maintain a balance of power with the CCP. The longer that the Civil War continues, the nave difficult will become the position of the liberals in China, since they hard to be drawn to one pole or the other-the Pascists or the Communists).

- 12. What (in the Marshal's opinion) would be the correct policy for the United States in China?
 - The United States should immediately withdraw all assistance to CHIANG and support the "democratic forces" in China.
- 13. (It was suggested that there was perhaps little chance that the United States would change its policy). What did the Marshal mean by "aid to the democratic forces."

 America should give public, moral support to the third party groups such as the KEC and the China Democratic League. In addition, it should secretly give material support to these groups.

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14. How will the proposed coalition government be created? After the liberal parties have come to an agreement regarding their program and when the Civil War situation permits, a new PCC will be convened as suggested by MAC Tre-tung. The basis for discussion in this conference, at which all democratic parties will be represented, will be the agreement signed by members of the first PCC. The new PCC will agree on certain basic principles according to which cooperation between the CCP and the liberal groups can be carried out. It will be agreed, for example, that the laws regarding agrarian reform must be enforced, no one-party system will be tolerated and civil liberties will be protected. These matters were thrashed out at the first FCC and all would have been well had not CHIANG K'ai-shek deliberately broken the terms of that agreement and attacked the Communists in the mistaken belief that he could defeat them in six months. The new PCC will then summon a National Assembly which will create a Constitution. It is not expected that this Constitution will differ very much from the one now in effect. Naturally, the position of the liberal groups at the new PCC would be far stronger if the Manking elements such as LI Tsung-jen and FU Tso-yi will have declared for peace prior to the convocation of the meeting.

- 15. Who would be the probable chief of a new coalition government?

 (Marshal Li's associate had spoken of Madame SUN Yet-sen in this connection).

 This will appear at the PCC.
- 15. Why should the CCP negotiate with any one? Is it not to their advantage to continue the Civil War until they win a decisive victory?

 They have learned that they can neither win the war rapidly nor govern the country without the help of liberal groups such as the KRC, the Democratic League, etc., which represent about two-thirds of China's public opinion. In particular, they need the support of middle and rich peasants, manufacturers and merchants. These groups look to the KRC and to the Democratic League for political leadership rather than to the CCP. However, it will be several months before the new PCC can meet. The Communists may well be glad of this delay since their military victories will strengthen their position in the negotiations.
- 17. (When asked about the numerical strength of the KRC, LI pointed out that his group is the legitimate successor of Dr. SUN Yat—sen's Kucmintang).

 After the collapse of the present Nanking regime, the membership of the party now headed by CHIANG K*ai—shek will transfer its allegiance to LI's group. In order to climinate undesirable elements, re-registration will be necessary.
- 18. (In discussing the reasons for CCP strength, LI made the usual assertions that the Communists serve the masses while the Nanking Kuomintang serve the oppressers, etc. He also pointed out that most people consider that the CCP emerged from the first PCC as the injured party). As an illustration of the variety among supporters of the Communists, many former collaborators in South China, especially those with technical training are being recruited by the CCP to run their newly-acquired railways and industries in the North.
- 19. Do there seem to be any serious differences of opinion within the CCP?

 (II stated that he knew of nonel To all appearances they were well united. Occassionally the Chairman and others who take the long-range view have to correct those CCP members who see only the short-term aspects of current problems.
- 20. When asked his opinion about the probable length of the Civil War, LK suggested that possibly the Nationalists, with American help, could hold out in Central China for about a year.
- 21. In reply to a question about the possibility of a separate government in South China, LI replied somewhat ambigiously that "a strong liberal base in South China would strengthen (his) position in negotiating with the CCP."